

State of Misconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX -PLEASE DO NOT REMOVE FROM DRAFTING FILE

Date Transfer Requested: 04/20/2009 (Per: CMH)

© Compile Draft − Appendix H ... Part 03 of 03

A The 2009 drafting file for E The 2009 drafting file for LRB-2519

LRB-2680

B ☞ The <u>2009</u> drafting file for LRB-2551

F ☞ The <u>2009</u> drafting file for LRB-2686

C The 2009 drafting file for LRB-2566

G The 2009 drafting file for LRB-2687

D The 2009 drafting file for LRB-2522

H The 2009 drafting file for LRB-2556 (as an insert)

2009 LRB-2556 has been copied/added to the drafting file for

2009 LRB-2697



2

3

4

5

6

8

State of Misconsin 2009 - 2010 LEGISLATURE

LRB-2556/jl Z
JTK:nwn&kjf:ph

Mar 4/20-Am

DOA:.....Weidner, ARRA - Unemployment insurance eligibility; extended benefits

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1.130 1/4



AN ACT to repeal 108.04 (7) (s) 2. c.; to amend 108.04 (7) (c), 108.04 (7) (h), 108.04 (7) (s) 1. a. and b., 108.04 (7) (s) 2. a., 108.06 (1), 108.06 (2) (c) and (cm), (3) and (6) (intro.), 108.14 (8n) (e), 108.141 (1) (a) and (b) 2. and 108.141 (7) (a); to repeal and recreate 108.04 (7) (s) 2. b., 108.141 (1) (e), 108.141 (1) (f) and 108.141 (5); and to create 108.04 (7) (s) 1. bn., d. and e., 108.04 (7) (t), 108.06 (7), 108.141 (1) (b) 2m. and 108.141 (1) (dm) of the statutes; relating to: eligibility for unemployment insurance benefits and payment of extended benefits.

Analysis by the Legislative Reference Bureau

This bill expands eligibility for unemployment insurance benefits and changes the duration of federal/state extended benefits.

BENEFIT ELIGIBILITY

Voluntary termination of employment

Currently, if an employee voluntarily terminates his or her work for an employer, the employee is generally ineligible to receive benefits until four weeks

have elapsed since the end of the week in which the termination occurs and the employee earns wages after the week in which the termination occurs equal to at least four times the employee's weekly benefit rate in employment covered by the unemployment insurance law of any state or the federal government. However, an employee may terminate his or her work and receive benefits without requalifying under this provision, among other reasons, if the employee: 1) terminates his or her work due to domestic abuse or concerns about the personal safety or harassment of the employee's family or household members; or 2) was unable to work due to the health of a family member. This bill expands the domestic abuse exception to include abuse or threat of abuse by an unrelated individual with whom the employee had a personal relationship, includes an adopted relative in the definition of family member, and permits the domestic abuse or concerns to be verified either by a protective order, by a report of a law enforcement agency, or evidence provided by a licensed health care professional or an employee of a domestic violence shelter. The bill broadens the exception concerning the health of a family member to apply to any verified illness or disability that necessitates the care of a family member for a period of time that is longer than the employee's employer is willing to grant leave. The bill also provides that requalification is not required if an employee's spouse changed his or her place of employment to a place to which it is impractical to commute and the employee terminated his or her work to accompany the spouse to that place.

Approved training in high-demand occupations

Currently, benefits may not be denied to an otherwise eligible claimant because the claimant is enrolled in a vocational training course or a basic education course that is a prerequisite to such training ("approved training") under certain conditions. Currently, unless a claimant qualifies for federal/state extended benefits, Wisconsin supplemental benefits, or federal emergency compensation and unless certain other exceptions apply, no claimant may receive total benefits based on employment in a base period (period preceding a claim during which benefit rights accrue) greater than 26 times the claimant's weekly benefit rate or 40 percent of the claimant's base period wages, whichever is lower. This bill provides, with certain exceptions, that if a claimant has exhausted all other rights to benefits, is currently enrolled in and making satisfactory progress in an approved training program under current law prior to the end of the claimant's benefit year (period during which benefits are payable) that qualified the claimant for benefits, and is not receiving any similar stipends or other training allowances for nontraining costs is entitled to additional benefits of up to 26 times the same benefit rate that applied to the claimant during his or her most recent benefit year if the claimant: 1) has been separated from employment in a declining occupation or involuntarily separated from employment as a result of a permanent reduction in operations by his or her employer; and 2) is being trained for entry into a high-demand occupation.

PAYMENT OF EXTENDED BENEFITS

Currently, the maximum number of weeks of benefits that an eligible claimant may qualify to receive is normally 26 weeks. However, during certain periods of high unemployment in this state, as defined by law, claimants who have exhausted all their rights to receive benefits in a given benefit year may potentially qualify to

2

3

4

5

6

7

8

9

10

11

12

13

receive up to an additional 13 weeks of "extended benefits," the costs of which, with certain exceptions, are shared between the federal government and employers in this state. Under recent federal legislation, the employer share is also paid in most cases by the federal government beginning with weeks of unemployment that begin on or after February 17, 2009, and ending with the last week beginning in 2009, and, for claimants who begin an extended benefit claim before that date, ending with the last week ending before June 1, 2010. In addition, under the federal legislation, during periods of exceptionally high unemployment in this state, claimants who qualify for extended benefits may qualify to receive an additional seven weeks of extended benefits that are financed in the same manner. This bill changes state law to conform with the recent federal legislation so as to enable claimants in this state to qualify for these additional extended benefits and to enable full participation by this state in federal cost sharing for these benefits.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 108.04 (7) (c) of the statutes is amended to read:

108.04 (7) (c) Paragraph (a) does not apply if the department determines that the employee terminated his or her work but had no reasonable alternative because the employee was unable to do his or her work, or that the employee terminated his or her work because of the health verified illness or disability of a member of his or her immediate family and the verified illness or disability reasonably necessitates the care of the family member for a period of time that is longer than the employer is willing to grant leave; but if the department determines that the employee is unable to work or unavailable for work, the employee is ineligible to receive benefits while such inability or unavailability continues.

SECTION 2. 108.04 (7) (h) of the statutes is amended to read:

108.04 (7) (h) The department shall charge to the fund's balancing account benefits paid to an employee that are otherwise chargeable to the account of an

Ţ	employer that is subject to the contribution requirements of ss. 108.17 and 108.18
2	if the employee voluntarily terminates employment with that employer and par. (a)
3	(c), (d), (e), (k), (L), (o), (p), (q), er (s), or (t) applies.
4	SECTION 3. 108.04 (7) (s) 1. a. and b. of the statutes are amended to read:
5	108.04 (7) (s) 1. a. "Domestic abuse" means physical abuse, including a
6	violation of s. 940.225 (1), (2) or (3), or a threat of physical abuse by an adult family
7	or adult household member against another family or household member; by an
8	adult person against his or her spouse or former spouse; or by an adult person against
9	a person with whom the person has a child in common; or by an adult person against
10	an unrelated adult person with whom the person has had a personal relationship.
11	b. "Family member" means a spouse, parent, child or person related by
12	consanguinity blood or adoption to another person.
13	SECTION 4. 108.04 (7) (s) 1. bn., d. and e. of the statutes are created to read:
14	108.04 (7) (s) 1. bn. "Health care professional" has the meaning given in s.
15	180.1901 (1m).
16	d. "Law enforcement agency" has the meaning given in s. 165.83 (1) (b) and
17	includes a tribal law enforcement agency as defined in s. 165.83 (1) (e).
18	e. "Protective order" means a temporary restraining order or an injunction
19	issued by a court of competent jurisdiction.
20	SECTION 5. 108.04 (7) (s) 2. a. of the statutes is amended to read:
21	108.04 (7) (s) 2. a. Terminates his or her work due to domestic abuse, concerns
22	about personal safety or harassment, concerns about the safety or harassment of his
23	or her family members who reside with the employee or concerns about the safety or
24	harassment of other household members; and
25	Section 6. 108.04 (7) (s) 2. b. of the statutes is repealed and recreated to read:

amended to read:

108.04 (7) (s) 2. b. Provides to the department a protective order relating to the
domestic abuse or concerns about personal safety or harassment issued by a cour
of competent jurisdiction, a report by a law enforcement agency documenting th
domestic abuse or concerns, or evidence of the domestic abuse or concerns provide
by a health care professional or an employee of a domestic violence shelter.
SECTION 7. 108.04 (7) (s) 2. c. of the statutes is repealed.
SECTION 8. 108.04 (7) (t) of the statutes is created to read:
108.04 (7) (t) Paragraph (a) does not apply if the department determines that
the employee's spouse changed his or her place of employment to a place to which
is impractical to commute and the employee terminated his or her work t
accompany the spouse to that place.
SECTION 9. 108.06 (1) of the statutes is amended to read:
108.06 (1) Except as provided in sub. subs. (6) and (7) and ss. 108.141 and
108.142, no claimant may receive total benefits based on employment in a bas
period greater than 26 times the claimant's weekly benefit rate under s. 108.05 (1
or 40% of the claimant's base period wages, whichever is lower. Except as provided
in sub. subs. (6) and (7) and ss. 108.141 and 108.142, if a claimant's base period wage
are reduced or canceled under s. 108.04 (5) or (18), or suspended under s. 108.04 (1
(f), (10) (a), or (17), the claimant may not receive total benefits based on employmen
in a base period greater than 26 times the claimant's weekly benefit rate under s
108.05(1) or $40%$ of the base period wages not reduced, canceled or suspended which

SECTION 10. 108.06 (2) (c) and (cm), (3) and (6) (intro.) of the statutes are

were paid or payable to the claimant, whichever is lower.

1	108.06 (2) (c) No benefits are payable to a claimant for any week of
2	unemployment not occurring during the claimant's benefit year except under sub. (7
3	and ss. 108.141 and 108.142.
4	(cm) If an employee qualifies to receive benefits using the base period described
5	in s. 108.02 (4) (b), the wages used to compute the employee's benefit entitlement are
6	not available for use in any subsequent benefit computation for the same employee
7	except under sub. (7) and s. 108.141 or 108.142.
8	(3) There shall be payable to an employee, for weeks ending within the
9	employee's benefit year, only those benefits computed for that benefit year based on
10	the wages paid to the employee in the immediately preceding base period. Wages
11	used in a given benefit computation are not available for use in any subsequent
12	benefit computation except under sub. (7) and s. 108.141.
13	(6) (intro.) If a claimant has established a benefit year prior to the effective date
14	of any increase in the maximum weekly benefit rate provided under s. $108.05(1)$, the
15	claimant has not exhausted his or her total benefit entitlement under sub. (1) for that
16	benefit year on that effective date, and the claimant was entitled to receive the
17	maximum weekly benefit rate under s. 108.05 (1) that was in effect prior to that
18	effective date, the limitation on the total benefits authorized to be paid to a claimant
19	under sub. (1) does not apply to that claimant in that benefit year. Unless sub. (7)
20	$\underline{\text{or}}\text{s.}108.141\text{or}108.142$ applies, the claimant's remaining benefit entitlement in that
21	benefit year for the period beginning on that effective date shall be computed by:
22	SECTION 11. 108.06 (7) of the statutes is created to read:
23	108.06 (7) (a) In this subsection:
24	1. "Applicable benefit year" means, with respect to a claimant, the claimant's

current benefit year if at the time an initial claim for benefits under this subsection

24

1	is filed the claimant has an unexpired benefit year or, in any other case, the
2	claimant's most recent benefit year.
3	2. "Training program" means any program of a type specified in s. 108.04 (16)
4	(b) Except as provided in pars. (f) and (g), a claimant who is otherwise eligible
5	for benefits and who is currently enrolled in a training program is eligible, while
6	enrolled in that training program for additional benefits under this subsection
7	provided that the claimant:
8	1. Has exhausted all rights to regular benefits, federal emergency
9	compensation benefits under P.L. 110-252 and P.L. 110-449, as amended, and
10	extended benefits under s. 108.141, or any other similar state or federal program of
11	additional benefit;
12	2. Except as provided in par. (e), is first enrolled in a training program within
13	the claimant's applicable benefit year established based on the separation under
14	subd. 4.;
15	3. Is not receiving similar stipends or other training allowances for nontraining
16	costs;
17	4. Has been separated from employment in a declining occupation or
18	involuntarily separated from employment since the beginning of the base period of
19	the claimant's applicable benefit year as a result of a permanent reduction in
20	operations by his or her employing unit; and
21	5. Is being trained for entry into a high-demand occupation.
22	(c) The weekly benefit rate payable to a claimant under this subsection for a

week of total unemployment is an amount equal to the most recent weekly benefit

rate in the claimant's applicable benefit year as determined under s. 108.05 (1).

(d)	No claimant may receive total benefits under this subsection greater than
26 times	the claimant's weekly benefit rate that applied to the claimant's applicable
benefit ye	ear.
(e) .	A claimant who is otherwise eligible for benefits under par. (b) and whose
benefit y	ear ends in a week in which benefits are payable in this state under s.
108.141 o	or 108.142, or P.L. 110-252 or P.L. 110-449, as amended, or another similar
state or fe	ederal program of additional benefits, is also eligible for benefits under this
subsectio	n if the claimant is first enrolled in a training program within 52 weeks
after the	end of the claimant's applicable benefit year established based on the
separatio	n under par. (b) 4.
(f)	No benefits may be paid to a claimant under this subsection for weeks
beginning	g more than 52 weeks after the first week for which the claimant received
benefits u	under this subsection.
(g)	Except when the result would be inconsistent with the other provisions of
this subse	ection, the provisions of this chapter that apply to claims for, or the payment
of, regula	ar benefits apply to claims for, and the payment of, benefits under this
subsection	n.
(h) '	The occupations that qualify as declining or high-demand for purposes of
this subse	ection shall be determined by the department.
(i) T	The restrictions on benefit reductions and disqualifications in s. 108.04 (16)
apply to a	a claimant in a training program who is entitled to receive benefits under
this subse	ection.
(j) T	he department shall charge benefits paid under this subsection in the same
manner a	s provided for charging of regular benefits under s. 108.16 (2).

SECTION 12. 108.14 (8n) (e) of the statutes is amended to read:

 $\mathbf{2}$

108.14 **(8n)** (e) The department shall charge this state's share of any benefits paid under this subsection to the account of each employer by which the employee claiming benefits was employed in the applicable base period, in proportion to the total amount of wages he or she earned from each employer in the base period, except that if s. 108.04 (1) (f), (5), (7) (a), (c), (d), (e), (k), (L), (o), (p) er, (q), (s), or (t), (7m) or (8) (a) or 108.07 (3), (3r), (5) (b) or (8) would have applied to employment by such an employer who is subject to the contribution requirements of ss. 108.17 and 108.18, the department shall charge the share of benefits based on employment with that employer to the fund's balancing account, or, if s. 108.04 (1) (f) or (5) or 108.07 (3) would have applied to an employer that is not subject to the contribution requirements of ss. 108.17 and 108.18, the department shall charge the share of benefits based on that employment in accordance with s. 108.07 (5) (a) and (b). The department shall also charge the fund's balancing account with any other state's share of such benefits pending reimbursement by that state.

SECTION 13. 108.141 (1) (a) and (b) 2. of the statutes are amended to read:

108.141 (1) (a) "Eligibility period" of an individual means the period consisting of the weeks each week in the individual's benefit year which begin begins in an extended benefit period and, if the individual's benefit year ends within such that extended benefit period, any weeks each week thereafter which begin begins in such a period. For weeks of unemployment beginning on or after February 17, 2009, and ending before June 1, 2010, or the last week for which federal sharing is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto, whichever is later, "eligibility period" also means the period consisting of each week during which an individual is eligible for emergency unemployment compensation under P.L. 110-252 and P.L. 110-449, or any amendments thereto, and if that week begins in

1	an extended benefit period or if an individual's eligibility for benefits under P.L.
2	110-252 and P.L. 110-449, or any amendment thereto, ends within an extended
3	benefit period, each week thereafter which begins in that extended benefit period.
4	(b) 2. His or her benefit year having expired in the extended benefit period and
5	prior to such week, lacks base period wages on the basis of which he or she could
6	establish a benefit year under s. 108.06; and or
7	SECTION 14. 108.141 (1) (b) 2m. of the statutes is created to read:
8	108.141 (1) (b) 2m. For weeks of unemployment beginning after February 17,
9	2009, and ending before June 1, 2010 , or with the last week for which federal sharing
10	is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto,
11	whichever is later, has exhausted federal emergency unemployment compensation
12	under P.L. 110-252 and P.L. 110-449, and any amendments thereto, within an
13	extended benefit period that began in a week during or before which the individual
14	has exhausted that emergency unemployment compensation; and
15	SECTION 15. 108.141 (1) (dm) of the statutes is created to read:
16	108.141 (1) (dm) "High unemployment period" means a period during which
17	an extended benefit period would be in effect if par. (f) 3. a. were applied by
18	substituting an average rate of total unemployment that equals or exceeds 8 percent.
19	Section 16. 108.141 (1) (e) of the statutes, as affected by 2009 Wisconsin Act
20	1, is repealed and recreated to read:
21	108.141 (1) (e) There is a Wisconsin "off" indicator for a week if, for the period
22	consisting of that week and the immediately preceding 12 weeks, there is not a
23	Wisconsin "on" indicator.
24	SECTION 17. 108.141 (1) (f) of the statutes is repealed and recreated to read:
25	108.141 (1) (f) There is a Wisconsin "on" indicator for a week if:

1	1. The rate of insured unemployment for the period consisting of that week and
2	the immediately preceding 12 weeks equaled or exceeded 120 percent of the average
3	of such rates for the corresponding 13-week period ending in each of the preceding
4	2 calendar years, and equaled or exceeded 5 percent; or
5	2. The rate of insured unemployment for the period consisting of that week and
6	the immediately preceding 12 weeks equaled or exceeded 6 percent, regardless of the
7	rate of insured unemployment in the 2 preceding calendar years; or
8	3. With respect to weeks of unemployment beginning on or after February 17,
9	2009, and ending with the week ending 3 weeks prior to the last week in which
10	federal sharing is authorized by section 2005 (a) of P.L. 111-5 and any amendments
11	thereto:
12	a. The average rate of total unemployment, seasonally adjusted, as determined
13	by the U.S. secretary of labor, for the period consisting of the most recent 3 months
14	for which data for all states are published before the close of that week equals or
15	exceeds 6.5 percent; and
16	b. The average rate of total unemployment in this state, seasonally adjusted,
17	as determined by the U.S. secretary of labor for the period consisting of the most
18	recent 3 months for which data for all states are published before the close of that
19	week equals or exceeds 110 percent of the average for either or both of the
20	corresponding 3-month periods ending in the 2 preceding calendar years.
21	SECTION 18. 108.141 (5) of the statutes is repealed and recreated to read:
22	108.141 (5) Total extended benefit amount. (a) Except as provided in pars.
23	(b) and (c), the total extended benefit amount payable to an eligible individual in his
24	or her benefit year is the least of the following amounts:

1 1	1. Fifty percent of the total amount of regular benefits that were payable to the
2	individual in the individual's most recent benefit year rounded down to the nearest
3	dollar, including benefits canceled under s. 108.04 (5); or
4	2. Thirteen times the individual's weekly benefit amount.
5	(b) The total extended benefit amount payable to an individual in his or her
6	benefit year shall be reduced by the total amount of additional benefits paid or
7	treated as paid under s. 108.142 for weeks of unemployment in the individual's
8	benefit year that began prior to the beginning of the extended benefit period that is
9	in effect in the week in which the individual first claims extended benefits.
10	(c) Except as provided in par. (b), effective with respect to weeks beginning in
11	a high unemployment period, the total extended benefit amount payable to an
12	individual in his or her benefit year is the least of the following amounts:
13	1. Eighty percent of the total amount of regular benefits that were payable to
14	the individual in the individual's most recent benefit year rounded down to the
15	nearest dollar, including benefits canceled under s. 108.04 (5); or
16	2. Twenty times the individual's weekly benefit amount.
17	SECTION 19. 108.141 (7) (a) of the statutes is amended to read:
18	108.141 (7) (a) The department shall charge the state's share of each week of
19	extended benefits to each employer's account in proportion to the employer's share
20	of the total wages of the employee receiving the benefits in the employee's base
21	period, except that if the employer is subject to the contribution requirements of ss.
22	108.17 and 108.18 the department shall charge the share of extended benefits to
23	$ which s. \ 108.04 \ (1) \ (f), \ (5), \ (7) \ (a), \ (c), \ (d), \ (e), \ (k), \ (L), \ (o), \ (p) \ \text{or}, \ (q), \ (s), \ or \ (t), \ (7m) \ or \ (10, 10, 10, 10, 10, 10, 10, 10, 10, 10, $

(8) (a) or 108.07 (3), (3r), (5) (b) or (8) applies to the fund's balancing account.

SECTION 20. Initial applicability.

24

, 1	(1) The treatment of sections 108.04 (7) (c), (h), (s) 1. a., b., bn., d., and e. and
2	2. a., b., and c., and (t), 108.14 (8n) (e) and 108.141 (7) (a) of the statutes first applies
3	with respect to terminations of employment occurring on the effective date of this
4	subsection. create auto 1 et
5	subsection. create auto 1 cf (2) The treatment of section 108.06 (1), (2) (c) and (cm), (3), (6) (intro.), and (7)
6	of the statutes first applies with respect to weeks of unemployment beginning on the
7	effective date of this subsection.
8	SECTION 21. Effective dates. This act takes effect on the first Sunday after
9	publication, except as follows:
10	(1) The treatment of sections 108.06 (1), (2) (c) and (cm), (3), (6) (intro.), and (7)
(11)	of the statutes takes effect on the first Sunday following the 90th day after
12	publication. and SECTION 20(#) of this act
13	(END)

Kuesel, Jeffery

From:

Schwalbe, Tracey L - DWD [Tracey.Schwalbe@dwd.wisconsin.gov]

Sent: To:

Monday, April 20, 2009 8:40 AM

Kuesel, Jeffery

Cc:

LaRocque, Daniel J - DWD; Pawasarat, Jane - DOA; Bergan, Hal - DWD

Subject:

Comments on LRB draft 2556/1

A couple of comments on the most recent LRB draft re UI modernization:

The applicability/effective dates look good.

In Section 11, 108.06(7)(e) (p. 8, line 5) this should reference the claimant's "applicable" benefit year.

In Section 11, 108.06(7)(j) (p. 8, line 24) we should also reference the charging provisions of 108.04(16)(e) so that charging is done the same way for all approved training.

In Section 11, 108.06(7)(b) (p. 7, line 6), less important, but we should put a comma after training program to ensure correct interpretation.

In the analysis, under approved training, there is no reference to the exception to filing for the benefits during the claimant's applicable benefit year (e.g., when we have EB, EUC, etc.) as provided in 108.06(7)(e). Should this be included? It seems significant, but I understand if you think this would unnecessarily complicate the analysis.

Thanks. Tracey

Kuesel, Jeffery

From:

Schwalbe, Tracey L - DWD [Tracey.Schwalbe@dwd.wisconsin.gov] Monday, April 20, 2009 9:06 AM Kuesel, Jeffery

Sent: To:

Cc:

LaRocque, Daniel J - DWD; Pawasarat, Jane - DOA; Bergan, Hal - DWD

Subject:

Additional comments on LRB 2556/1

There are two other comments I have on the draft, again on Section 11:

For 108.06(7)(b)2. and (e), I think we do not want to say "established based on the separation..." just "based on the separation..."

Also, for 108.06(7)(b)4., the phrase beginning "since the beginning of the base period..." should have been inserted after the first use of the word "employment" on line 17, not the word on line 18.

Thanks.

Tracey

SECTION 11. 108.06 (7) of the statutes is created to read:

108.06 (7) (a) In this subsection:

1. "Applicable benefit year" means, with respect to a claimant, the claimant's current benefit year if at the time an initial claim for benefits under this subsection is filed the claimant has an unexpired benefit year or, in any other case, the claimant's most recent benefit year that ended no earlier than 52 weeks prior to the contract of the contrac earlier than 52 weeks prior to the week for which the claimant first claimed benefits under this subsection.

- 2. "Training program" means any program of a type specified in s. 108.04 (16).
- (b) Except as provided in pars. (f) and (g), a claimant who is otherwise eligible for benefits and who is currently enrolled in a training program, is eligible, while enrolled in that training program for additional benefits under this subsection provided that the claimant:
- 1. Has exhausted all rights to regular benefits, federal emergency compensation benefits under P.L. 110-252 and P.L. 110-449, as amended, and extended benefits under s. 108.141, or any other similar state or federal program of additional benefit;
- 2. Except as provided in par. (e), is first enrolled in a training program within the claimant's applicable benefit year;

3. Is not receiving similar stipends or other training allowances for nontraining costs;

4. Was separated from employment in a declining occupation or involuntarily separated from employment as a result of a permanent reduction in operations by his or her employing unit. the separation occurred no earlier than the beginning of the base period of the claimant's applicable benefit year; and

5. Is being trained for entry into a high-demand occupation.

- (c) The weekly benefit rate payable to a claimant under this subsection for a week of total unemployment is an amount equal to the most recent weekly benefit rate in the claimant's applicable benefit year as determined under s. 108.05 (1).
- (d) No claimant may receive total benefits under this subsection greater than 26 times the claimant's weekly benefit rate that applied to the claimant's applicable benefit year.
- (e) A claimant who is otherwise eligible for benefits under par. (b) and whose applicable benefit year ends in a week in which benefits are payable in this state under s. 108.141 or 108.142, or P.L. 110-252 or P.L. 110-449, as amended, or another similar state or federal program of additional benefits, is also eligible for benefits under this subsection if the claimant is first

Deleted: established based on the separation under subd. 4

Deleted: Has been

base period of the claimant's applicable

enrolled in a training program within 52 weeks after the end of the claimant's applicable benefit year.

- (f) No benefits may be paid to a claimant under this subsection for weeks beginning more than
- 52 weeks after the first week for which the claimant received benefits under this subsection.
- (g) Except when the result would be inconsistent with the other provisions of this subsection, the provisions of this chapter that apply to claims for, or the payment of, regular benefits apply to claims for, and the payment of, benefits under this subsection.
- (h) The occupations that qualify as declining or high-demand for purposes of this subsection shall be determined by the department.
- (i) The restrictions on benefit reductions and disqualifications in s. 108.04 (16) apply to a claimant in a training program who is entitled to receive benefits under this subsection.
- (j) The department shall charge benefits paid under this subsection in the same manner as benefits charged under ss. 108.04 (16).

Deleted: established based on the separation under par.

Deleted: (b) 4

Deleted: provided for charging of

Deleted: 108.16 (2)



State of Misconsin 2009 - 2010 LEGISLATURE

LRB-2556/3 Z JTK:nwnokjf:rs

DOA:.....Weidner, ARRA - Unemployment insurance eligibility; extended benefits

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION



1

2

3

4

5

6

7

8

AN ACT to repeal 108.04 (7) (s) 2. c.; to amend 108.04 (7) (c), 108.04 (7) (h), 108.04 (7) (s) 1. a. and b., 108.04 (7) (s) 2. a., 108.06 (1), 108.06 (2) (c) and (cm), (3) and (6) (intro.), 108.14 (8n) (e), 108.141 (1) (a) and (b) 2. and 108.141 (7) (a); to repeal and recreate 108.04 (7) (s) 2. b., 108.141 (1) (e), 108.141 (1) (f) and 108.141 (5); and to create 108.04 (7) (s) 1. bn., d. and e., 108.04 (7) (t), 108.06 (7), 108.141 (1) (b) 2m. and 108.141 (1) (dm) of the statutes; relating to: eligibility for unemployment insurance benefits and payment of extended benefits.

Analysis by the Legislative Reference Bureau

This bill expands eligibility for unemployment insurance benefits and changes the duration of federal/state extended benefits.

BENEFIT ELIGIBILITY

Voluntary termination of employment

Currently, if an employee voluntarily terminates his or her work for an employer, the employee is generally ineligible to receive benefits until four weeks

(provider add thomas

Claiman

Was

have elapsed since the end of the week in which the termination occurs and the employee earns wages after the week in which the termination occurs equal to at least four times the employee's weekly benefit rate in employment covered by the unemployment insurance law of any state or the federal government. However, an employee may terminate his or her work and receive benefits without requalifying under this provision, among other reasons, if the employee: 1) terminates his or her work due to domestic abuse or concerns about the personal safety or harassment of the employee's family or household members; or 2) was unable to work due to the health of a family member. This bill expands the domestic abuse exception to include abuse or threat of abuse by an unrelated individual with whom the employee had a personal relationship, includes an adopted relative in the definition of family member, and permits the domestic abuse or concerns to be verified either by a protective order, by a report of a law enforcement agency, or evidence provided by a licensed health care professional or an employee of a domestic violence shelter. The bill broadens the exception concerning the health of a family member to apply to any verified illness or disability that necessitates the care of a family member for a period of time that is longer than the employee's employer is willing to grant leave. The bill also provides that requalification is not required if an employee's spouse changed his or her place of employment to a place to which it is impractical to commute and the employee terminated his or her work to accompany the spouse to that place.

Approved training in high-demand occupations

Currently, benefits may not be denied to an otherwise eligible claimant because the claimant is enrolled in a vocational training course or a basic education course that is a prerequisite to such training ("approved training") under certain conditions. Currently, unless a claimant qualifies for federal/state extended benefits, Wisconsin supplemental benefits, or federal emergency compensation and unless certain other exceptions apply, no claimant may receive total benefits based on employment in a base period (period preceding a claim during which benefit rights accrue) greater than 26 times the claimant's weekly benefit rate or 40 percent of the claimant's base period wages, whichever is lower. This bill/provides, with certain exceptions, that if a claimant has exhausted all other rights to benefits, is currently enrolled in making satisfactory progress an approved training program under current law prior to the end of the claimant's benefit year (period during which benefits are payable) that qualified the claimant for benefits, and is not receiving any similar stipends or other training allowances for nontraining costs is entitled to additional benefits of up to 26 times the same benefit rate that applied to the claimant during his or her most recent benefit year if the claimant: 1) has been separated from employment in a declining occupation or involuntarily separated from employment as a result of a permanent reduction in operations by his or her employer; and 2) is being trained for entry into a high-demand occupation. The 57A

PAYMENT OF EXTENDED BENEFITS

Currently, the maximum number of weeks of benefits that an eligible claimant may qualify to receive is normally 26 weeks. However, during certain periods of high unemployment in this state, as defined by law, claimants who have exhausted all their rights to receive benefits in a given benefit year may potentially qualify to nich man claims additional claims benefits)

 $\mathbf{2}$

3

4

5

6

7

8

9

10

11

12

13

receive up to an additional 13 weeks of "extended benefits," the costs of which, with certain exceptions, are shared between the federal government and employers in this state. Under recent federal legislation, the employer share is also paid in most cases by the federal government beginning with weeks of unemployment that begin on or after February 17, 2009, and ending with the last week beginning in 2009, and, for claimants who begin an extended benefit claim before that date, ending with the last week ending before June 1, 2010. In addition, under the federal legislation, during periods of exceptionally high unemployment in this state, claimants who qualify for extended benefits may qualify to receive an additional seven weeks of extended benefits that are financed in the same manner. This bill changes state law to conform with the recent federal legislation so as to enable claimants in this state to qualify for these additional extended benefits and to enable full participation by this state in federal cost sharing for these benefits.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 108.04 (7) (c) of the statutes is amended to read:

108.04 (7) (c) Paragraph (a) does not apply if the department determines that the employee terminated his or her work but had no reasonable alternative because the employee was unable to do his or her work, or that the employee terminated his or her work because of the health verified illness or disability of a member of his or her immediate family and the verified illness or disability reasonably necessitates the care of the family member for a period of time that is longer than the employer is willing to grant leave; but if the department determines that the employee is unable to work or unavailable for work, the employee is ineligible to receive benefits while such inability or unavailability continues.

SECTION 2. 108.04 (7) (h) of the statutes is amended to read:

108.04 (7) (h) The department shall charge to the fund's balancing account benefits paid to an employee that are otherwise chargeable to the account of an

11	employer that is subject to the contribution requirements of ss. 108.17 and 108.18
2	if the employee voluntarily terminates employment with that employer and par. (a),
3	(c), (d), (e), (k), (L), (o), (p), (q), or (s), or (t) applies.
4	SECTION 3. 108.04 (7) (s) 1. a. and b. of the statutes are amended to read:
5	108.04 (7) (s) 1. a. "Domestic abuse" means physical abuse, including a
6	violation of s. $940.225(1)$, (2) or (3) , or a threat of physical abuse by an adult family
7	or adult household member against another family or household member; by an
8	adult person against his or her spouse or former spouse; or by an adult person against
9	a person with whom the person has a child in common; or by an adult person against
10	an unrelated adult person with whom the person has had a personal relationship.
11	b. "Family member" means a spouse, parent, child or person related by
12	consanguinity blood or adoption to another person.
13	SECTION 4. 108.04 (7) (s) 1. bn., d. and e. of the statutes are created to read:
14	108.04 (7) (s) 1. bn. "Health care professional" has the meaning given in s.
15	180.1901 (1m).
16	d. "Law enforcement agency" has the meaning given in s. 165.83 (1) (b) and
17	includes a tribal law enforcement agency as defined in s. 165.83 (1) (e).
18	e. "Protective order" means a temporary restraining order or an injunction
19	issued by a court of competent jurisdiction.
20	SECTION 5. 108.04 (7) (s) 2. a. of the statutes is amended to read:
21	108.04 (7) (s) 2. a. Terminates his or her work due to domestic abuse, concerns
22	about personal safety or harassment, concerns about the safety or harassment of his
23	or her family members who reside with the employee or concerns about the safety or
24	harassment of other household members; and
25	SECTION 6. 108.04 (7) (s) 2. b. of the statutes is repealed and recreated to read:

108.04 (7) (s) 2. b. Provides to the department a protective order relating to the
domestic abuse or concerns about personal safety or harassment issued by a cour
of competent jurisdiction, a report by a law enforcement agency documenting the
domestic abuse or concerns, or evidence of the domestic abuse or concerns provided
by a health care professional or an employee of a domestic violence shelter.
SECTION 7. 108.04 (7) (s) 2. c. of the statutes is repealed.
SECTION 8. 108.04 (7) (t) of the statutes is created to read:
108.04 (7) (t) Paragraph (a) does not apply if the department determines that
the employee's spouse changed his or her place of employment to a place to which it
is impractical to commute and the employee terminated his or her work to
accompany the spouse to that place.
SECTION 9. 108.06 (1) of the statutes is amended to read:
108.06 (1) Except as provided in sub. subs. (6) and (7) and ss. 108.141 and
108.142, no claimant may receive total benefits based on employment in a base
period greater than 26 times the claimant's weekly benefit rate under s. 108.05 (1)
or 40% of the claimant's base period wages, whichever is lower. Except as provided
in sub. subs. (6) and (7) and ss. 108.141 and 108.142, if a claimant's base period wages
are reduced or canceled under s. 108.04 (5) or (18), or suspended under s. 108.04 (1)
(f), (10) (a), or (17), the claimant may not receive total benefits based on employment
in a base period greater than 26 times the claimant's weekly benefit rate under s.

SECTION 10. 108.06 (2) (c) and (cm), (3) and (6) (intro.) of the statutes are amended to read:

 $108.05\,(1)\,\mathrm{or}\,40\%$ of the base period wages not reduced, canceled or suspended which

were paid or payable to the claimant, whichever is lower.

1	108.06 (2) (c) No benefits are payable to a claimant for any week of
2	unemployment not occurring during the claimant's benefit year except under $\underline{\mathrm{sub.}(7)}$
3	and ss. 108.141 and 108.142.
4	(cm) If an employee qualifies to receive benefits using the base period described
5	in s. $108.02(4)(b)$, the wages used to compute the employee's benefit entitlement are
6	not available for use in any subsequent benefit computation for the same employee,
7	except under <u>sub. (7)</u> and s. 108.141 or 108.142.
8	(3) There shall be payable to an employee, for weeks ending within the
9	employee's benefit year, only those benefits computed for that benefit year based on
10	the wages paid to the employee in the immediately preceding base period. Wages
11	used in a given benefit computation are not available for use in any subsequent
12	benefit computation except under sub. (7) and s. 108.141.
13	(6) (intro.) If a claimant has established a benefit year prior to the effective date
14	of any increase in the maximum weekly benefit rate provided under s. $108.05(1)$, the
15	claimant has not exhausted his or her total benefit entitlement under sub. (1) for that
16	benefit year on that effective date, and the claimant was entitled to receive the
17	maximum weekly benefit rate under s. 108.05 (1) that was in effect prior to that
18	effective date, the limitation on the total benefits authorized to be paid to a claimant
19	under sub. (1) does not apply to that claimant in that benefit year. Unless sub. (7)
20	$\underline{\text{or}}$ s. 108.141 or 108.142 applies, the claimant's remaining benefit entitlement in that
21	benefit year for the period beginning on that effective date shall be computed by:
22	Section 11. 108.06 (7) of the statutes is created to read:
23	108.06 (7) (a) In this subsection:
24	1. "Applicable benefit year" means, with respect to a claimant, the claimant's
25	current benefit year if at the time an initial claim for benefits under this subsection

1	is filed the claimant has an unexpired benefit year or, in any other case, the
2	claimant's most recent benefit year.
3	2. "Training program" means any program of a type specified in s. 108.04 (16).
4	(b) Except as provided in pars. (f) and (g), a claimant who is otherwise eligible
5	for benefits and who is currently enrolled in a training program is eligible, while
$\left(\begin{array}{c}6\end{array}\right)$	enrolled in that training program for additional benefits under this subsection
8	provided that the claimant: 1. Has exhausted all rights to regular benefits, federal emergency
9	compensation benefits under P.L. 110-252 and P.L. 110-449, as amended, and the federal trade act of 1974 (1.6.93-618), extended benefits under s. 108.141, or any other similar state or federal program of
$\xrightarrow{11}$	additional benefits, a coverent benefit year, has a benefit year that 2. It not in a coverent benefit year, has a benefit year that 3. Except as provided in par. (e), is first enrolled in a training program within he
(3)	the claimant's applicable benefit year established based on the separation under the
(3) 14)	= nan
13 14 15 16	Subday; For which the work Is not receiving similar stipends or other training allowances for nontraining Cityst Und Claims benefit for
14 15 16 17	Subdis; For which the work We subdisting similar stipends or other training allowances for nontraining and
16 17 18	Sis not receiving similar stipends or other training allowances for nontraining costs; costs;
16 17 18	For which the works the work the work the claimant costs; Cos
16 17 18 19 20, F	Subdiscount of the war of the beginning of the base period of the claimant's applicable benefit read as a result of a permanent reduction in the Separation occupations by his or her employing unit, and for the Claimant's applicable benefit and operations by his or her employing unit, and for the Claimant's applicable benefit and the base period of the being trained for entry into a high-demand occupation.
16 17 18 19 20 21 22	Subdiscription to the weeks We would the decimal the weeks costs; Las been separated from employment in a declining occupation or involuntarily separated from employment since the beginning of the base period of the claimant's applicable benefit year as a result of a permanent reduction in the Separation occurred no earlier than the beginning of the base period operations by his or her employing unit and for the Claimant's applicable Lis being trained for entry into a high-demand occupation. (c) The weekly benefit rate payable to a claimant under this subsection for a
16 17 18 19 20, F	Subdiscount of the war of the beginning of the base period of the claimant's applicable benefit read as a result of a permanent reduction in the Separation occupations by his or her employing unit, and for the Claimant's applicable benefit and operations by his or her employing unit, and for the Claimant's applicable benefit and the base period of the being trained for entry into a high-demand occupation.

1	(d) No claimant may receive total benefits under this subsection greater than
2	26 times the claimant's weekly benefit rate that applied to the claimant's applicable
3	benefit year.
4 (5)	(e) A claimant who is otherwise eligible for benefits under par. (b) and whose benefit year ends in a week in which benefits are payable in this state under s. 108.141 or 108.142, or P.L. 110-252 or P.L. 110-449, as amended, or another similar
7	state or federal program of additional benefits, is also eligible for benefits under this
8	subsection if the claimant is first enrolled in a training program within 52 weeks
9	after the end of the claimant's applicable benefit year established based on the
10	separation under par. (b)
11	(f) No benefits may be paid to a claimant under this subsection for weeks
12	beginning more than 52 weeks after the first week for which the claimant received
13	benefits under this subsection.
14	(g) Except when the result would be inconsistent with the other provisions of
15	this subsection, the provisions of this chapter that apply to claims for, or the payment
16	of, regular benefits apply to claims for, and the payment of, benefits under this
17	subsection.
18	(h) The occupations that qualify as declining or high-demand for purposes of
19	this subsection shall be determined by the department.
20	(i) The restrictions on benefit reductions and disqualifications in s. 108.04 (16)
21	apply to a claimant in a training program who is entitled to receive benefits under
22	this subsection.
23 24)	(j) The department shall charge benefits paid under this subsection in the same manner as provided for charging of regular benefits under s. 108.04(6)
2 5	SECTION 12. 108.14 (8n) (e) of the statutes is amended to read:

108.14 (8n) (e) The department shall charge this state's share of any benefits paid under this subsection to the account of each employer by which the employee claiming benefits was employed in the applicable base period, in proportion to the total amount of wages he or she earned from each employer in the base period, except that if s. 108.04 (1) (f), (5), (7) (a), (c), (d), (e), (k), (L), (o), (p) er, (q), (s), or (t), (7m) or (8) (a) or 108.07 (3), (3r), (5) (b) or (8) would have applied to employment by such an employer who is subject to the contribution requirements of ss. 108.17 and 108.18, the department shall charge the share of benefits based on employment with that employer to the fund's balancing account, or, if s. 108.04 (1) (f) or (5) or 108.07 (3) would have applied to an employer that is not subject to the contribution requirements of ss. 108.17 and 108.18, the department shall charge the share of benefits based on that employment in accordance with s. 108.07 (5) (a) and (b). The department shall also charge the fund's balancing account with any other state's share of such benefits pending reimbursement by that state.

SECTION 13. 108.141 (1) (a) and (b) 2. of the statutes are amended to read:

108.141 (1) (a) "Eligibility period" of an individual means the period consisting of the weeks each week in the individual's benefit year which begin begins in an extended benefit period and, if the individual's benefit year ends within such that extended benefit period, any weeks each week thereafter which begin begins in such a period. For weeks of unemployment beginning on or after February 17, 2009, and ending before June 1, 2010, or the last week for which federal sharing is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto, whichever is later, "eligibility period" also means the period consisting of each week during which an individual is eligible for emergency unemployment compensation under P.L. 110-252 and P.L. 110-449, or any amendments thereto, and if that week begins in

1	an extended benefit period or if an individual's eligibility for benefits under P.L.
2	110-252 and P.L. 110-449, or any amendment thereto, ends within an extended
3	benefit period, each week thereafter which begins in that extended benefit period.
4	(b) 2. His or her benefit year having expired in the extended benefit period and
5	prior to such week, lacks base period wages on the basis of which he or she could
6	establish a benefit year under s. 108.06; and or
7	SECTION 14. 108.141 (1) (b) 2m. of the statutes is created to read:
8	108.141 (1) (b) 2m. For weeks of unemployment beginning after February 17,
9	2009, and ending before June 1, 2010, or with the last week for which federal sharing
10	is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto,
11	whichever is later, has exhausted federal emergency unemployment compensation
12	under P.L. 110-252 and P.L. 110-449, and any amendments thereto, within an
13	extended benefit period that began in a week during or before which the individual
14	has exhausted that emergency unemployment compensation; and
15	SECTION 15. 108.141 (1) (dm) of the statutes is created to read:
16	108.141 (1) (dm) "High unemployment period" means a period during which
17	an extended benefit period would be in effect if par. (f) 3. a. were applied by
18	substituting an average rate of total unemployment that equals or exceeds 8 percent.
19	Section 16. 108.141 (1) (e) of the statutes, as affected by 2009 Wisconsin Act
20	1, is repealed and recreated to read:
21	108.141 (1) (e) There is a Wisconsin "off" indicator for a week if, for the period
22	consisting of that week and the immediately preceding 12 weeks, there is not a
23	Wisconsin "on" indicator.
24	SECTION 17. 108.141 (1) (f) of the statutes is repealed and recreated to read:
25	108.141 (1) (f) There is a Wisconsin "on" indicator for a week if:

24

1	1. The rate of insured unemployment for the period consisting of that week and
2	the immediately preceding 12 weeks equaled or exceeded 120 percent of the average
3	of such rates for the corresponding 13-week period ending in each of the preceding
4	2 calendar years, and equaled or exceeded 5 percent; or
5	2. The rate of insured unemployment for the period consisting of that week and
6	the immediately preceding 12 weeks equaled or exceeded 6 percent, regardless of the
7	rate of insured unemployment in the 2 preceding calendar years; or
8	3. With respect to weeks of unemployment beginning on or after February 17
9	2009, and ending with the week ending 3 weeks prior to the last week in which
10	federal sharing is authorized by section 2005 (a) of P.L. 111-5 and any amendments
11	thereto:
12	a. The average rate of total unemployment, seasonally adjusted, as determined
13	by the U.S. secretary of labor, for the period consisting of the most recent 3 months
14	for which data for all states are published before the close of that week equals or
15	exceeds 6.5 percent; and
16	b. The average rate of total unemployment in this state, seasonally adjusted,
17	as determined by the U.S. secretary of labor for the period consisting of the most
18	recent 3 months for which data for all states are published before the close of that
19	week equals or exceeds 110 percent of the average for either or both of the
20	corresponding 3-month periods ending in the 2 preceding calendar years.
21	Section 18. 108.141 (5) of the statutes is repealed and recreated to read:
22	108.141 (5) Total extended benefit amount. (a) Except as provided in pars.
23	(b) and (c), the total extended benefit amount payable to an eligible individual in his
24	or her benefit year is the least of the following amounts:

24

25

1	1. Fifty percent of the total amount of regular benefits that were payable to the
2	individual in the individual's most recent benefit year rounded down to the nearest
3	dollar, including benefits canceled under s. 108.04 (5); or
4	2. Thirteen times the individual's weekly benefit amount.
5	(b) The total extended benefit amount payable to an individual in his or her
6	benefit year shall be reduced by the total amount of additional benefits paid or
7	treated as paid under s. 108.142 for weeks of unemployment in the individual's
8	benefit year that began prior to the beginning of the extended benefit period that is
9	in effect in the week in which the individual first claims extended benefits.
10	(c) Except as provided in par. (b), effective with respect to weeks beginning in
11	a high unemployment period, the total extended benefit amount payable to an
12	individual in his or her benefit year is the least of the following amounts:
13	1. Eighty percent of the total amount of regular benefits that were payable to
14	the individual in the individual's most recent benefit year rounded down to the
15	nearest dollar, including benefits canceled under s. 108.04 (5); or
16	2. Twenty times the individual's weekly benefit amount.
17	SECTION 19. 108.141 (7) (a) of the statutes is amended to read:
18	108.141 (7) (a) The department shall charge the state's share of each week of
19	extended benefits to each employer's account in proportion to the employer's share
20	of the total wages of the employee receiving the benefits in the employee's base
21	period, except that if the employer is subject to the contribution requirements of ss.
22	108.17 and 108.18 the department shall charge the share of extended benefits to

which s. 108.04 (1) (f), (5), (7) (a), (c), (d), (e), (k), (L), (o), (p) or, (q), (s), or (t), (7m) or

 $(8)\ (a)\ or\ 108.07\ (3),\ (3r),\ (5)\ (b)\ or\ (8)$ applies to the fund's balancing account.

SECTION 20. Initial applicability.

(1) The treatment of sections 108.04 (7) (c), (h), (s) 1. a., b., bn., d., and e. and
2. a., b., and c., and (t), 108.14 (8n) (e) and 108.141 (7) (a) of the statutes first applies
with respect to terminations of employment occurring on the effective date of this
subsection.
(2) The treatment of section 108.06 (1), (2) (c) and (cm), (3), (6) (intro.), and (7)
of the statutes first applies with respect to weeks of unemployment beginning on the
effective date of this subsection.
Section 21. Effective dates. This act takes effect on the first Sunday after
publication, except as follows:
(1) The treatment of section 108.06 (1), (2) (c) and (cm), (3), (6) (intro.), and (7)
of the statutes and Section 20 (2) of this act take effect on the first Sunday following
the 90th day after publication.

(END)

LRB-2556/3ins JTK...:...

2009-2010 DRAFTING INSERT FROM THE

LEGISLATIVE REFERENCE BUREAU

JWS 2A

In addition, the bill provides that if the benefit year of such a claimant expires in a week in which extended or other additional federal or state benefits are payable generally (see below), the claimant is also eligible for the additional benefits while enrolled in a training program as provided under the bill if the claimant first enrolled in the program within 52 weeks after the end of the claimant's benefit year that qualified the claimant for benefits.

(end ins)



State of Misconsin 2009 - 2010 LEGISLATURE

LRB-2556/3 JTK:nwn/kjf/jld:md

DOA:.....Weidner, ARRA - Unemployment insurance eligibility; extended benefits

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

T	ACT to repeat 108.04 (7) (8) 2. c.; to amena 108.04 (7) (c), 108.04 (7) (h), 108.04
2	(7) (s) 1. a. and b., 108.04 (7) (s) 2. a., 108.06 (1), 108.06 (2) (c) and (cm), (3) and
3	(6) (intro.), 108.14 (8n) (e), 108.141 (1) (a) and (b) 2. and 108.141 (7) (a); to
4	repeal and recreate 108.04 (7) (s) 2. b., 108.141 (1) (e), 108.141 (1) (f) and
5	108.141 (5); and <i>to create</i> 108.04 (7) (s) 1. bn., d. and e., 108.04 (7) (t), 108.06
6	(7), 108.141 (1) (b) 2m. and 108.141 (1) (dm) of the statutes; relating to:
7	eligibility for unemployment insurance benefits and payment of extended
8	benefits.

Analysis by the Legislative Reference Bureau

This bill expands eligibility for unemployment insurance benefits and changes the duration of federal/state extended benefits.

BENEFIT ELIGIBILITY

Voluntary termination of employment

Currently, if an employee voluntarily terminates his or her work for an employer, the employee is generally ineligible to receive benefits until four weeks

have elapsed since the end of the week in which the termination occurs and the employee earns wages after the week in which the termination occurs equal to at least four times the employee's weekly benefit rate in employment covered by the unemployment insurance law of any state or the federal government. However, an employee may terminate his or her work and receive benefits without requalifying under this provision, among other reasons, if the employee: 1) terminates his or her work due to domestic abuse or concerns about the personal safety or harassment of the employee's family or household members; or 2) was unable to work due to the health of a family member. This bill expands the domestic abuse exception to include abuse or threat of abuse by an unrelated individual with whom the employee had a personal relationship, includes an adopted relative in the definition of family member, and permits the domestic abuse or concerns to be verified either by a protective order, by a report of a law enforcement agency, or evidence provided by a licensed health care professional or an employee of a domestic violence shelter. The bill broadens the exception concerning the health of a family member to apply to any verified illness or disability that necessitates the care of a family member for a period of time that is longer than the employee's employer is willing to grant leave. The bill also provides that requalification is not required if an employee's spouse changed his or her place of employment to a place to which it is impractical to commute and the employee terminated his or her work to accompany the spouse to that place.

Approved training in high-demand occupations

Currently, benefits may not be denied to an otherwise eligible claimant because the claimant is enrolled in a vocational training course or a basic education course that is a prerequisite to such training ("approved training") under certain conditions. Currently, unless a claimant qualifies for federal/state extended benefits, Wisconsin supplemental benefits, or federal emergency compensation and unless certain other exceptions apply, no claimant may receive total benefits based on employment in a base period (period preceding a claim during which benefit rights accrue) greater than 26 times the claimant's weekly benefit rate or 40 percent of the claimant's base period wages, whichever is lower. This bill provides additional benefits to certain The bill provides, with certain exceptions, that if a claimant has claimants. exhausted all other rights to benefits, is currently enrolled in an approved training program under current law and was so enrolled prior to the end of the claimant's benefit year (period during which benefits are payable) that qualified the claimant for benefits, if not in a current benefit year, has a benefit year that ended no earlier than 52 weeks prior to the week for which the claimant first claims additional benefits, and is not receiving any similar stipends or other training allowances for nontraining costs is entitled to additional benefits of up to 26 times the same benefit rate that applied to the claimant during his or her most recent benefit year if the claimant: 1) has been separated from employment in a declining occupation or involuntarily separated from employment as a result of a permanent reduction in operations by his or her employer; and 2) is being trained for entry into a high-demand occupation. In addition, the bill provides that if the benefit year of such a claimant expires in a week in which extended or other additional federal or state benefits are payable generally (see below), the claimant is also eligible for the

2

3

4

5

6

7

8

additional benefits while enrolled in a training program as provided under the bill if the claimant first enrolled in the program within 52 weeks after the end of the claimant's benefit year that qualified the claimant for benefits.

PAYMENT OF EXTENDED BENEFITS

Currently, the maximum number of weeks of benefits that an eligible claimant may qualify to receive is normally 26 weeks. However, during certain periods of high unemployment in this state, as defined by law, claimants who have exhausted all their rights to receive benefits in a given benefit year may potentially qualify to receive up to an additional 13 weeks of "extended benefits," the costs of which, with certain exceptions, are shared between the federal government and employers in this state. Under recent federal legislation, the employer share is also paid in most cases by the federal government beginning with weeks of unemployment that begin on or after February 17, 2009, and ending with the last week beginning in 2009, and, for claimants who begin an extended benefit claim before that date, ending with the last week ending before June 1, 2010. In addition, under the federal legislation, during periods of exceptionally high unemployment in this state, claimants who qualify for extended benefits may qualify to receive an additional seven weeks of extended benefits that are financed in the same manner. This bill changes state law to conform with the recent federal legislation so as to enable claimants in this state to qualify for these additional extended benefits and to enable full participation by this state in federal cost sharing for these benefits.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 108.04 (7) (c) of the statutes is amended to read:

108.04 (7) (c) Paragraph (a) does not apply if the department determines that the employee terminated his or her work but had no reasonable alternative because the employee was unable to do his or her work, or that the employee terminated his or her work because of the health verified illness or disability of a member of his or her immediate family and the verified illness or disability reasonably necessitates the care of the family member for a period of time that is longer than the employer is willing to grant leave; but if the department determines that the employee is

1	unable to work or unavailable for work, the employee is ineligible to receive benefits
2	while such inability or unavailability continues.
3	SECTION 2. 108.04 (7) (h) of the statutes is amended to read:
4	108.04 (7) (h) The department shall charge to the fund's balancing account
5	benefits paid to an employee that are otherwise chargeable to the account of an
6	employer that is subject to the contribution requirements of ss. 108.17 and 108.18
7	if the employee voluntarily terminates employment with that employer and par. (a),
8	(c), (d), (e), (k), (L), (o), (p), (q), or (s), or (t) applies.
9	SECTION 3. 108.04 (7) (s) 1. a. and b. of the statutes are amended to read:
10	108.04 (7) (s) 1. a. "Domestic abuse" means physical abuse, including a
11	violation of s. 940.225 (1), (2) or (3), or a threat of physical abuse by an adult family
12	or adult household member against another family or household member; by an
13	adult person against his or her spouse or former spouse; or by an adult person against
14	a person with whom the person has a child in common; or by an adult person against
15	an unrelated adult person with whom the person has had a personal relationship.
16	b. "Family member" means a spouse, parent, child or person related by
17	consanguinity blood or adoption to another person.
18	Section 4. 108.04 (7) (s) 1. bn., d. and e. of the statutes are created to read:
19	108.04 (7) (s) 1. bn. "Health care professional" has the meaning given in s.
20	180.1901 (1m).
21	d. "Law enforcement agency" has the meaning given in s. 165.83 (1) (b) and
22	includes a tribal law enforcement agency as defined in s. 165.83 (1) (e).
23	e. "Protective order" means a temporary restraining order or an injunction
24	issued by a court of competent jurisdiction.
25	SECTION 5. 108.04 (7) (s) 2. a. of the statutes is amended to read:

1 108.04 (7) (s) 2. a. Terminates his or her work due to domestic abuse, concerns $\mathbf{2}$ about personal safety or harassment, concerns about the safety or harassment of his 3 or her family members who reside with the employee or concerns about the safety or 4 harassment of other household members; and **SECTION 6.** 108.04 (7) (s) 2. b. of the statutes is repealed and recreated to read: 5 6 108.04 (7) (s) 2. b. Provides to the department a protective order relating to the 7 domestic abuse or concerns about personal safety or harassment issued by a court 8 of competent jurisdiction, a report by a law enforcement agency documenting the 9 domestic abuse or concerns, or evidence of the domestic abuse or concerns provided 10 by a health care professional or an employee of a domestic violence shelter. **SECTION 7.** 108.04 (7) (s) 2. c. of the statutes is repealed. 11 12 **Section 8.** 108.04 (7) (t) of the statutes is created to read: 13 108.04 (7) (t) Paragraph (a) does not apply if the department determines that 14 the employee's spouse changed his or her place of employment to a place to which it is impractical to commute and the employee terminated his or her work to 15 16 accompany the spouse to that place. 17 **SECTION 9.** 108.06 (1) of the statutes is amended to read: 18 108.06 (1) Except as provided in sub. subs. (6) and (7) and ss. 108.141 and 19 108.142, no claimant may receive total benefits based on employment in a base 20 period greater than 26 times the claimant's weekly benefit rate under s. 108.05 (1) 21 or 40% of the claimant's base period wages, whichever is lower. Except as provided 22 in sub. subs. (6) and (7) and ss. 108.141 and 108.142, if a claimant's base period wages are reduced or canceled under s. 108.04 (5) or (18), or suspended under s. 108.04 (1) 23 24 (f), (10) (a), or (17), the claimant may not receive total benefits based on employment

in a base period greater than 26 times the claimant's weekly benefit rate under s.

1	$108.05(1)\mathrm{or}40\%$ of the base period wages not reduced, canceled or suspended which
2	were paid or payable to the claimant, whichever is lower.
3	SECTION 10. 108.06 (2) (c) and (cm), (3) and (6) (intro.) of the statutes are
4	amended to read:
5	108.06 (2) (c) No benefits are payable to a claimant for any week of
6	$unemployment\ not\ occurring\ during\ the\ claimant's\ benefit\ year\ except\ under\ \underline{sub.}\ (7)$
7	and ss. 108.141 and 108.142.
8	$(cm) \ \ If an employee \ qualifies \ to \ receive \ benefits \ using \ the \ base \ period \ described$
9	in s. $108.02(4)(b)$, the wages used to compute the employee's benefit entitlement are
10	not available for use in any subsequent benefit computation for the same employee,
11	except under <u>sub. (7)</u> and s. 108.141 or 108.142.
12	(3) There shall be payable to an employee, for weeks ending within the
13	employee's benefit year, only those benefits computed for that benefit year based on
14	the wages paid to the employee in the immediately preceding base period. Wages
15	used in a given benefit computation are not available for use in any subsequent
16	benefit computation except under sub. (7) and s. 108.141.
17	(6) (intro.) If a claimant has established a benefit year prior to the effective date
18	of any increase in the maximum weekly benefit rate provided under s. $108.05(1)$, the
19	$claimant\ has\ not\ exhausted\ his\ or\ her\ total\ benefit\ entitlement\ under\ sub.\ (1)\ for\ that$
20	benefit year on that effective date, and the claimant was entitled to receive the
21	maximum weekly benefit rate under s. 108.05 (1) that was in effect prior to that
22	effective date, the limitation on the total benefits authorized to be paid to a claimant
23	under sub. (1) does not apply to that claimant in that benefit year. Unless sub. (7)
24	$\underline{\text{or}}$ s. 108.141 or 108.142 applies, the claimant's remaining benefit entitlement in that

benefit year for the period beginning on that effective date shall be computed by:

1	SECTION 11. 108.06 (7) of the statutes is created to read:
2	108.06 (7) (a) In this subsection:
3	1. "Applicable benefit year" means, with respect to a claimant, the claimant's
4	current benefit year if at the time an initial claim for benefits under this subsection
5	is filed the claimant has an unexpired benefit year or, in any other case, the
6	claimant's most recent benefit year.
7	2. "Training program" means any program of a type specified in s. 108.04 (16).
8	(b) Except as provided in pars. (f) and (g), a claimant who is otherwise eligible
9	for benefits and who is currently enrolled in a training program is eligible, while
10	enrolled in that training program, for additional benefits under this subsection
11	provided that the claimant:
12	1. Has exhausted all rights to regular benefits, Wisconsin supplemental
13	benefits, federal emergency compensation benefits under P.L. 110-252 and P.L.
14	110–449, as amended, extended benefits under s. 108.141, and the federal trade act
15	of 1974 (P.L. 93-618), or any other similar state or federal program of additional
16	benefits;
17	2. If not in a current benefit year, has a benefit year that ended no earlier than
18	52 weeks prior to the week for which the claimant first claims benefits under this
19	subsection;
20	3. Except as provided in par. (e), is first enrolled in a training program within
21	the claimant's applicable benefit year;
22	4. Is not receiving similar stipends or other training allowances for nontraining
23	costs;
24	5. Was separated from employment in a declining occupation or involuntarily

separated from employment as a result of a permanent reduction in operations by

- his or her employing unit, if the separation occurred no earlier than the beginning of the base period for the claimant's applicable benefit year; and

 6. Is being trained for entry into a high-demand occupation.
 - (c) The weekly benefit rate payable to a claimant under this subsection for a week of total unemployment is an amount equal to the most recent weekly benefit rate in the claimant's applicable benefit year as determined under s. 108.05 (1).
 - (d) No claimant may receive total benefits under this subsection greater than 26 times the claimant's weekly benefit rate that applied to the claimant's applicable benefit year.
 - (e) A claimant who is otherwise eligible for benefits under par. (b) and whose applicable benefit year ends in a week in which benefits are payable in this state under s. 108.141 or 108.142, or P.L. 110-252 or P.L. 110-449, as amended, or another similar state or federal program of additional benefits, is also eligible for benefits under this subsection if the claimant is first enrolled in a training program within 52 weeks after the end of the claimant's applicable benefit year.
 - (f) No benefits may be paid to a claimant under this subsection for weeks beginning more than 52 weeks after the first week for which the claimant received benefits under this subsection.
 - (g) Except when the result would be inconsistent with the other provisions of this subsection, the provisions of this chapter that apply to claims for, or the payment of, regular benefits apply to claims for, and the payment of, benefits under this subsection.
 - (h) The occupations that qualify as declining or high-demand for purposes of this subsection shall be determined by the department.

- (i) The restrictions on benefit reductions and disqualifications in s. 108.04 (16) apply to a claimant in a training program who is entitled to receive benefits under this subsection.
- (j) The department shall charge benefits paid under this subsection in the same manner as benefits are charged under s. 108.04 (16).

SECTION 12. 108.14 (8n) (e) of the statutes is amended to read:

108.14 (8n) (e) The department shall charge this state's share of any benefits paid under this subsection to the account of each employer by which the employee claiming benefits was employed in the applicable base period, in proportion to the total amount of wages he or she earned from each employer in the base period, except that if s. 108.04 (1) (f), (5), (7) (a), (c), (d), (e), (k), (L), (o), (p) ex, (q), (s), or (t), (7m) or (8) (a) or 108.07 (3), (3r), (5) (b) or (8) would have applied to employment by such an employer who is subject to the contribution requirements of ss. 108.17 and 108.18, the department shall charge the share of benefits based on employment with that employer to the fund's balancing account, or, if s. 108.04 (1) (f) or (5) or 108.07 (3) would have applied to an employer that is not subject to the contribution requirements of ss. 108.17 and 108.18, the department shall charge the share of benefits based on that employment in accordance with s. 108.07 (5) (a) and (b). The department shall also charge the fund's balancing account with any other state's share of such benefits pending reimbursement by that state.

SECTION 13. 108.141 (1) (a) and (b) 2. of the statutes are amended to read:

108.141 (1) (a) "Eligibility period" of an individual means the period consisting of the weeks each week in the individual's benefit year which begin begins in an extended benefit period and, if the individual's benefit year ends within such that extended benefit period, any weeks each week thereafter which begin begins in such

1	a period. For weeks of unemployment beginning on or after February 17, 2009, and
2	ending before June 1, 2010, or the last week for which federal sharing is authorized
3	by section 2005 (a) of P.L. 111-5 and any amendments thereto, whichever is later,
4	"eligibility period" also means the period consisting of each week during which an
5	individual is eligible for emergency unemployment compensation under P.L.
6	110-252 and P.L. 110-449, or any amendments thereto, and if that week begins in
7	an extended benefit period or if an individual's eligibility for benefits under P.L.
8	110-252 and P.L. 110-449, or any amendment thereto, ends within an extended
9	benefit period, each week thereafter which begins in that extended benefit period.
10	(b) 2. His or her benefit year having expired in the extended benefit period and
11	prior to such week, lacks base period wages on the basis of which he or she could
12	establish a benefit year under s. 108.06; and or
13	SECTION 14. 108.141 (1) (b) 2m. of the statutes is created to read:
14	108.141 (1) (b) 2m. For weeks of unemployment beginning after February 17,
15	2009, and ending before June 1, 2010, or with the last week for which federal sharing
16	is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto,
17	whichever is later, has exhausted federal emergency unemployment compensation
18	under P.L. 110-252 and P.L. 110-449, and any amendments thereto, within an
19	extended benefit period that began in a week during or before which the individual
20	has exhausted that emergency unemployment compensation; and
21	SECTION 15. 108.141 (1) (dm) of the statutes is created to read:
22	108.141 (1) (dm) "High unemployment period" means a period during which
23	an extended benefit period would be in effect if par. (f) 3. a. were applied by

substituting an average rate of total unemployment that equals or exceeds 8 percent.

1	SECTION 16. 108.141 (1) (e) of the statutes, as affected by 2009 Wisconsin Act
2	1, is repealed and recreated to read:
3	108.141 (1) (e) There is a Wisconsin "off" indicator for a week if, for the period
4	consisting of that week and the immediately preceding 12 weeks, there is not a
5	Wisconsin "on" indicator.
6	SECTION 17. 108.141 (1) (f) of the statutes is repealed and recreated to read:
7	108.141 (1) (f) There is a Wisconsin "on" indicator for a week if:
8	1. The rate of insured unemployment for the period consisting of that week and
9	the immediately preceding 12 weeks equaled or exceeded 120 percent of the average
10	of such rates for the corresponding 13-week period ending in each of the preceding
11	2 calendar years, and equaled or exceeded 5 percent; or
12	2. The rate of insured unemployment for the period consisting of that week and
13	the immediately preceding 12 weeks equaled or exceeded 6 percent, regardless of the
14	rate of insured unemployment in the 2 preceding calendar years; or
15	3. With respect to weeks of unemployment beginning on or after February 17,
16	2009, and ending with the week ending 3 weeks prior to the last week in which
17	federal sharing is authorized by section 2005 (a) of P.L. 111–5 and any amendments
18	thereto:
19	a. The average rate of total unemployment, seasonally adjusted, as determined
20	by the U.S. secretary of labor, for the period consisting of the most recent 3 months
21	for which data for all states are published before the close of that week equals or
22	exceeds 6.5 percent; and
23	b. The average rate of total unemployment in this state, seasonally adjusted,
24	as determined by the U.S. secretary of labor for the period consisting of the most
25	recent 3 months for which data for all states are published before the close of that

1	week equals or exceeds 110 percent of the average for either or both of the
2	corresponding 3-month periods ending in the 2 preceding calendar years.
3	SECTION 18. 108.141 (5) of the statutes is repealed and recreated to read:
4	108.141 (5) Total extended benefit amount. (a) Except as provided in pars.
5	(b) and (c), the total extended benefit amount payable to an eligible individual in his
6	or her benefit year is the least of the following amounts:
7	1. Fifty percent of the total amount of regular benefits that were payable to the
8	individual in the individual's most recent benefit year rounded down to the nearest
9	dollar, including benefits canceled under s. 108.04 (5); or
10	2. Thirteen times the individual's weekly benefit amount.
11	(b) The total extended benefit amount payable to an individual in his or her
12	benefit year shall be reduced by the total amount of additional benefits paid or
13	treated as paid under s. 108.142 for weeks of unemployment in the individual's
14	benefit year that began prior to the beginning of the extended benefit period that is
15	in effect in the week in which the individual first claims extended benefits.
16	(c) Except as provided in par. (b), effective with respect to weeks beginning in
17	a high unemployment period, the total extended benefit amount payable to an
18	individual in his or her benefit year is the least of the following amounts:
19	1. Eighty percent of the total amount of regular benefits that were payable to
20	the individual in the individual's most recent benefit year rounded down to the
21	nearest dollar, including benefits canceled under s. 108.04 (5); or
22	2. Twenty times the individual's weekly benefit amount.
23	SECTION 19. 108.141 (7) (a) of the statutes is amended to read:
24	108.141 (7) (a) The department shall charge the state's share of each week of
25	extended benefits to each employer's account in proportion to the employer's share

1	of the total wages of the employee receiving the benefits in the employee's base
2	period, except that if the employer is subject to the contribution requirements of ss.
3	108.17 and 108.18 the department shall charge the share of extended benefits to
4	which s. 108.04 (1) (f), (5), (7) (a), (c), (d), (e), (k), (L), (o), (p) or, (q), (s), or (t), (7m) or
5	(8) (a) or 108.07 (3), (3r), (5) (b) or (8) applies to the fund's balancing account.
6	Section 20. Initial applicability.
7	(1) The treatment of sections 108.04 (7) (c), (h), (s) 1. a., b., bn., d., and e. and
8	2. a., b., and c., and (t), 108.14 (8n) (e) and 108.141 (7) (a) of the statutes first applies
9	with respect to terminations of employment occurring on the effective date of this
10	subsection.
11	(2) The treatment of section 108.06 (1), (2) (c) and (cm), (3), (6) (intro.), and (7)
12	of the statutes first applies with respect to weeks of unemployment beginning on the
13	effective date of this subsection.
14	SECTION 21. Effective dates. This act takes effect on the first Sunday after
15	publication, except as follows:
16	(1) The treatment of section 108.06 (1), (2) (c) and (cm), (3), (6) (intro.), and (7)
17	of the statutes and Section 20 (2) of this act take effect on the first Sunday following
18	the 90th day after publication.
19	(END)